

HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
OCTOBER 7, 2004

The Hamilton County Board of Aviation Commissioners met on Thursday, October 7, 2004. The commissioners met in Executive Session from 6:30 p.m. to 7:05 p.m. in Conference Room 1A in the Hamilton County Government and Judicial Center, One Hamilton County Square, Noblesville, Indiana. President Tim Tolson called the public session to order at 7:10 p.m. in the Commissioner's Courtroom. A quorum was declared present of Tim Tolson, Jon Ogle and Don Silvey. Tom Kapostasy was absent.

Executive Session Memoranda

Jon Ogle motioned to approve the Executive Session Memoranda for October 7, 2004. Don Silvey seconded. Motion carried unanimously (3-0).

Approval of Minutes

Ogle motioned to approve the August 5, 2004 minutes. Silvey seconded. Motion carried unanimously (3-0).

Veolia Water Company Request

Pat Zaharako, representing Veolia Water Company, stated at the last meeting a motion was passed to preliminarily approve a proposed easement on the Indianapolis Executive Airport property. Zaharako presented the easement document for approval. Mike Howard has reviewed the document and requested the addition of a statement that the grantor would notify the grantee before any work is done on the property, which was included in the agreement. The compensation is \$2.00 per lineal foot for a total of \$8,944.00 due to the board plus a free service tap, the size of your choosing with an approximate cost of \$1,500.00. Silvey asked if the \$2.00 per foot compares with other residents on the line? Zaharako stated the residents south of the airport easement was settled at \$2.00 per foot. Howard asked what is the width? Zaharako stated it is 30' wide because we are not contiguous to any road right of way to work upon. Dan Montgomery asked if there would be trees taken out when the water line is run? Zaharako stated the line would sit 15' off the property line. DNR does not want trees taken out unless it is absolutely necessary. Zaharako showed the board where the run will line on the property. Silvey asked if we have our appraisal from the Bailey's? Zaharako stated they have met with the Bailey's and are negotiating with them. Zaharako stated they hope to have the permit next week. They are planning 800' production through open fields. Tolson asked if we have favorable recommendations from our attorney, engineer and airport manager? Howard recommended approval. Larry Creakbaum, Mid-States Engineering, stated they recommend approval, it will not interfere with any plans for future development. Montgomery has no problem. Silvey motioned to approve the easement. Ogle seconded. Motion carried unanimously (3-0).

Bid Opening

REIL Construction Project

Howard opened the bids for the installation of the Runway End Identifier Lights (REIL). Form 96, Bid Bond, Non-Collusion Affidavit and financial statements are included unless otherwise specified. 1) Ludwig Contracting - \$28,600.00. 2) Trans Tech Electric LP. - \$29,922.00. 3) Michiana - \$18,000.00. Howard recommended Mid-States Engineering review the bids for recommendation at the next meeting. Ogle motioned to approve. Silvey seconded. Motion carried unanimously (3-0).

HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
OCTOBER 7, 2004

Request to Advertise

Demolition of Old Terminal Area

Creakbaum requested permission to advertise for bids for demolition of the old terminal area. Financing of this project has been approved with a grant amendment to AIP-09 in the amount of \$50,000.00. Due to the well drying up the plans were changed for the power to now come off the well that serves the airport, which changes the finances of the project. The chain link fence is now listed as a bid alternate. Silvey motioned to approve the plans and advertise for bids. Ogle seconded. Motion carried unanimously (3-0).

Grant Pay Request

Maria Muia requested approval of an invoice from Mid-States Engineering for design of the demolition project and the pay request from the grant. Silvey motioned to approve. Ogle seconded. Motion carried unanimously (3-0).

Mound System

Creakbaum stated Mid-States Engineering is designing a mound system for the hangar area and it his intent to bring the plans to the November meeting for permission to advertise for construction. Howard stated whether we bid it will be subject to funding, this is not reimbursable from a grant.

Aviation Association of Indiana Annual Conference

Tolson and Kapostasy will attend the Aviation Association of Indiana (AAI) annual conference, October 13-14, 2004.

Indianapolis Executive Airport Report

Quarterly Report

Andrea Montgomery presented the third quarter bank statement, balance sheet, income statement, Vendor Aging Report and Inventory Units Sold Report. Based on the Inventory Units Sold Report year to date they should have paid in fuel flowage is \$80,307.30, the actual amount paid was \$80,650.82 for an overpayment to the county of \$343.52. Also included are copies of the bills from Dan Montgomery for management services and a bill from Montgomery Aviation with supporting documentation.

Income is well over the projected 2004 budget amount. As of September 30, 2004 we have not received any farm income. Estimated income is \$95,313.00 not including the farm income. Year to date income has exceeded \$111,032.82.

Final fuel flowage is projected to be almost double of the 2004 projection. Other incomes are on track. The manager/resident lease was started in the last quarter. T-hangers are down approximately \$10,000 due to the loss of the Central Indiana Soaring Society.

With the influx of the Montgomery Aviation money and private investors to build additional hangers the county will not share in the 7% share of rent but will have a land lease. By basing more people at the airport, which the FAA looks at for awarding grant money, as well as fuel flowage fees, which is the majority of the income, it is still a win-win situation for the county.

HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
OCTOBER 7, 2004

Fuel flowage is well over 322,000 gallons for 2004, 600,000 gallons was projected. The 2005 fuel flowage projection is approximately 1 million gallons.

Line items have been added to the expense report in preparation for the 2005 budget. Andrea reviewed some of the expenses. Due to numerous requests from the board to transfer monies from some accounts to pay for overages in other accounts, expenses are much higher than budgeted. Consequently, Montgomery Aviation has paid for the overage. In the reimbursement for the third quarter she included legal reimbursement, maintenance for fueling equipment and what is due to Montgomery Aviation for maintenance of fuel equipment. Andrea presented an account detail of additional services Montgomery Aviation should have been reimbursed in the amount of \$5,030.74. In addition there should have been another \$5,000 reimbursement which was needed for maintenance of airport vehicles, terminal maintenance and ground maintenance. If Montgomery Aviation is reimbursed for these expenses the budget will be exceeded for the 4th quarter and she wants to insure we have cash on hand to pay for the normal operating expenses, such as utilities, ILS maintenance and insurance. Andrea stated she has prepared a bill and is requesting guidance from the board. If there are monies from somewhere else to cover these expense or does Montgomery Aviation pay for them? During a meeting with Tom, Kim and the Hamilton County Auditor she was told that Montgomery Aviation should not be paying for any expenses associated with the airport but in order for the airport to run, Montgomery Aviation has and will continue to fund some of these operating expenses. Andrea stated there is a cash balance of \$25,000 in the bank after the 3rd quarter payment to the county. She is proposing to hold on to the additional \$5,000 to make sure there is enough money for operating expenses in the 4th quarter. No action was taken.

Runway Painting

Dan Montgomery stated the runway painting is complete. The total invoice is \$14,664.28, which is higher than the original bid of \$10,000 due to removal of the original pavement markings. Silvey motioned to approve payment of the invoice of J.A. Reke & Sons in the amount of \$14,664.28. Ogle seconded. Motion carried unanimously (3-0).

Dan stated they have moved in to their new house. The new gate has been installed and they are waiting for a bill.

Middle Marker

Dan stated the insurance company has paid for the lighting strike to the middle marker, minus the deductible. The middle marker should be shipped tomorrow for installation this month.

Chance Aviation

Chance Aviation, distributor of aircraft parts, toured IEA. They are currently renting a building near Indianapolis International Airport. They would like to build their own building at IEA. They would like to locate by the road with an attached hanger. Howard stated that is not permitted use under our zoning. Howard will review the zoning and discuss this with Dan.

HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
OCTOBER 7, 2004

T-Hanger Refurbishing

Dan stated they would like to tear down some T-hangers to build a new corporate hanger. There are seven hangers that can be salvaged and renovated.

Steel Price

Dan received prices for the steel. Acme valued the steel between \$2,500-\$5,000. The value of the framework on the T-hangers at \$500-\$800. Howard recommended selling the steel to the Montgomery's in the amount of \$3,750. Ogle motioned to approve. Silvey seconded. Motion carried unanimously (3-0).

FBO Land Lease

Howard stated the FBO Land Lease is for \$0.32 per square foot. There is a total of 4,800 square feet. There is no legal description attached until Mid-States sees a drawing of the building. Howard suggested approval of the land lease subject to a legal description being attached. Howard also suggested a base legal – meets and bounds only and as a policy of the board that if it is a basic meets and bound legal the county pay for the legal description. If the tenant needs a minimum standard survey they pay the marginal costs. Ogle motioned to approve. Silvey seconded. Motion carried unanimously (3-0).

T-Hanger Land Lease

Howard presented the T-hanger Land Lease. Howard stated we don't know where the leased premises will be for a legal description. In Section 2.07 it gives Montgomery's the exclusive option to lease the additional areas of property lying contiguous to the lease premises. This will be for 12 T-hangers. Dan stated they would like to the right to continue north and build two more buildings for a total of 36 T-hangers. The area for the T-hanger lease is the area bounded by the asphalt. The exclusive area referred to Section 2.07 would be that same lease premise extended in the same shape, due north to the building setback. Carl Winkler stated the exclusive area is on the east side of the boulevard, we are asking for a legal for the seven remaining units for a total of 19 T-hangers. Howard stated any approval would be subject to the legals being attached. The legals would be meets and bounds only. Dan stated Steve Niblick would like a master plan of the existing buildings and future buildings before he will issue another permit. Ogle motioned to approve the T-hanger Land Lease. Silvey seconded. Motion carried unanimously (3-0).

Creakbaum asked if the meets and bounds should be billed at an hourly rate? Howard stated yes.

Long-Range Building Plan

Discussion of the long-range plan of the placement of buildings followed. Carl stated their long-range plan is to build one building every six months until they are built out. It makes sense to cluster the T-hangers together. Howard suggested instructing Mid-States to change the plan to add a second row of T-hangers, move the corporate hangers over, move the corporate complex to the other side and design the mound system accordingly. Ogle motioned to approve. Silvey seconded. Motion carried unanimously (3-0). Howard requested the plan be completed before the next meeting so it can be sent to Boone County. Ogle and Silvey will review the final plan before sending to Boone County.

HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
OCTOBER 7, 2004

Old Business

Discussion of Policy Statement

Brad Beaver stated he thinks the Board needs to be pro-active on the good neighbor policy. The policy needs to say exactly that you intend that this airport operate, be a good neighbor and say exactly what can or can not be built around you. The statement should state we intend to protect the airport and airways. Ogle stated if we state that we will do those things that we are permitted to do under the law – to promote the use and continued advancement of the airport, we will do those things. Beaver stated as a policy statement you should state it is your intention to operate this as a commercial airport for the economic good of the area and do within all your rights to make sure it stays viable. Silvey asked if the mission statement is the way to do that or would it be a separate resolution? Beaver stated that might be better. Beaver suggested keeping the mission statement to 1-3 sentences, the rest should be policy statements in the form of motions, etc. Beaver asked if it is the Board's position that there is no position on what is built at the end of the runway? Howard stated we believe the state statute is adequate. When you go beyond that you subject yourself to a claim from the landowner. Brad clarified that for now the Board will have no position as to what the neighbors do with their property? Ogle stated we are restricted to what we do with the airport, whatever they do with their property we can battle it at that time.

Legal Counsel Report

First Right of Refusal to Boone County

Howard requested approval of a letter from the Hamilton County Board of Aviation to the Boone County Commissioners granting First Right of Refusal for purchasing of Indianapolis Executive Airport. Silvey motioned to approve. Ogle seconded. Motion carried unanimously (3-0).

Next Meeting – November 4, 2004 at 6:30 p.m.

Ogle motioned to adjourn. Silvey seconded. Motion carried unanimously (3-0).

HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
OCTOBER 7, 2004

Present

Tim Tolson, President
Jon Ogle, Board Member
Don Silvey, Board Member
Michael Howard, Attorney
Larry Creakbaum, Mid-States Engineering
Maria Muia, Mid-States Engineering
Andrea Montgomery, Montgomery Aviation
Dan Montgomery, Montgomery Aviation
Carl Winkler, Montgomery Aviation
Matt Evans, Montgomery Aviation
Brad Beaver
Kim Rauch, Secretary

APPROVED

Tim Tolson, President

Date _____

ATTEST

Kimberly R. Rauch, Secretary

Date _____